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August 18, 2008

## **AGENDA ITEM 5**

### **TO: MEMBERS OF THE PERFORMANCE AND COMPENSATION COMMITTEE**

- I. SUBJECT:** 2008-2009 Performance Plans for Recently Appointed Portfolio Managers (First Reading)
- II. PROGRAM:** Administration
- III. RECOMMENDATION:** Approve First Reading of the 2008-2009 Performance Plans for the Recently Appointed Portfolio Managers, Alternative Investments
- IV. ANALYSIS:**

The Board of Administration's Compensation Policies and Procedures include a schedule for approving performance plans and reviewing quarterly status reports. Performance plans for newly-appointed investment management staff will be presented on a flow basis, as soon as is practical after each position is filled. This item presents, for first reading, the performance plans of two recently appointed Portfolio Managers, Alternative Investments. The duty statements are attached for information.

In accordance with the program policies and procedures, the quantitative measures in these performance plans have been reviewed for clarity by the investment consultant.

### **V. STRATEGIC PLAN:**

Under Goal V of the Strategic Plan, CalPERS is committed to sustaining a high performance work culture. This can be accomplished at the highest executive levels through the establishment of methods that provide broad flexibility in the recruitment, retention and compensation of key personnel.

**VI. RESULTS/COSTS:**

The establishment of performance measures is critical to the management of a competitive compensation program for executives at the highest levels of the organization. This, in turn, is critical to the success of the organization. The cost of performance awards that might arise from the recommendations in this item will be funded from existing resources.

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Chris O'Brien, Chief  
Human Resources Division

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Gloria Moore Andrews  
Deputy Executive Officer - Operations

Attachments

**2008-2009 Performance Plan for  
Recently Appointed Portfolio Managers**

Duty statements and 2008-2009 Fiscal Year Performance Plans are presented for first reading in the following pages:

**Position**

**Current Incumbent**

Portfolio Manager, Alternative Investments

Jesus Arguelles

Portfolio Manager, Alternative Investments

Tom Baker